Impact of FDI in Telecom Facilities

208. SHRI RUMANDALA RAMACHANDRAIAH: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Foreign Direct Investment in Indian telecom industry touched Rs. 4,497 Crore with cellular mobile services bringing Rs. 2,187.1 Crore into the sector;

(b) if so, whether according to this, the actual FDI inflow between August, 1991 and November, 2000 accounted for 48.6 percent;

(c) if so, to what extent this inflow of FDI in telecom has given a boost to the telecommunication facilities in villages and other rural areas;

(d) whether the dream of having telephone in villages has been achieved; and

(e) if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) and (b) Yes, Sir. The Foreign Direct Investment (FDI) in Indian telecom industry between August 1991 to November, 2000 was Rs. 4,497 Crore. The FDI Inflow in the Cellular Mobile Services during this period was Rs. 2,187.1 Crore which was 48.6% of the total inflow in the telecom sector.

(c) In order to supplement the Government's effort in providing telecom services in the country, the Department of telecommunications has issued licenses for the Basic, Cellular, VSAT Internet etc. services to the private telecom operators for various telecom circles. These private telecom operators have set up their network at various places and have been providing telecom services in the set areas including the villages and rural areas covered under their circles.

(d) and (e) As reported by basic service private licensee, 547 Village Public Telephones (VPTs) have been provided by June, 2001.